

**IN THE UNITED STATES BANKRUPTCY COURT FOR THE  
WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:	:	
	:	
ED'S BEANS, INC., D/B/A	:	Bankruptcy Case No. 20-22974-CMB
CRAZY MOCHA,	:	
CRAZY MOCHA COFFEE, CRAZY	:	
MOCHA COFFEE COMPANY,	:	
KIVA HAN, KIVA HAN COFFEE,	:	
KH AND KHC,	:	
	:	
Debtor.	:	Chapter 11
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	:	Related Docket No.: 568
SOUTHPOINTE TOWN CENTER, L.P.,	:	
	:	Hearing Date: July 27, 2021 at
Movant,	:	1:30 p.m.
	:	
	:	Response Date: July 12, 2021
ED'S BEANS, INC., D/B/A	:	
CRAZY MOCHA,	:	
CRAZY MOCHA COFFEE, CRAZY	:	
MOCHA COFFEE COMPANY,	:	
KIVA HAN, KIVA HAN COFFEE,	:	
KH AND KHC	:	
	:	
Respondent.	:	

**DEBTOR'S LIMITED OBJECTION AND RESERVATION OF RIGHTS TO  
SOUTHPOINTE TOWN CENTER LP'S MOTION FOR AN ORDER ALLOWING AN  
ADMINISTRATIVE EXPENSE CLAIM PURSUANT TO 11 U.S.C. 365(d)(3) AND  
503(b)(1)(A)**

AND Now comes, the Debtor, Ed's Beans, Inc. d/b/a Crazy Mocha, Crazy Mocha Coffee, Crazy Mocha Coffee Company, Kiva Han, Kiva Han Coffee, KH, and KHC (the "**Debtor**"), by and through its undersigned counsel, Leech Tishman Fuscaldo & Lampl, LLC, and files this Limited Objection and Reservation of Rights to Southpointe Town Center LP's Motion for an Order Allowing an Administrative Expense Claim Pursuant to 11 U.S.C. 365(d)(3) and 503(b)(1)(A) (the "**Limited Objection**"), respectfully stating as follows:

### **JURISDICTION**

1. The Bankruptcy Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.  
This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue of this bankruptcy case is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

### **BACKGROUND**

3. On October 19, 2020 (the “**Petition Date**”), the Debtor filed a voluntary petition for relief under, Title 11, Chapter 11, Subchapter V, of the United States Code, 11 U.S.C. § 101, *et seq.* (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Western District of Pennsylvania (the “**Bankruptcy Court**”) at the above-captioned case number (the “**Bankruptcy Case**”).
4. William Krieger was appointed as the Subchapter V Trustee.
5. The Debtor is a Pennsylvania Corporation, organized and existing under the laws of Pennsylvania with an address of 711 Thomson Park Drive, Cranberry Township, PA 16066.
6. In 1993, the Debtor began doing business as Kiva Han Coffee, a coffee wholesale, distributor, and roaster (the “**Kiva Han Business**”). The Debtor supplied coffee to many businesses, including Crazy Mocha, a local Pittsburgh chain of coffee shops. In 2018, the Debtor purchased all the assets of Crazy Mocha and began operating the Crazy Mocha coffee chain (the “**Crazy Mocha Business**”).
7. Due to the COVID-19 Pandemic, the Debtor was effectively forced to close all of its locations in March 2020, in compliance with various State and local mitigation and health and safety orders that either forced the complete closure, or at a minimum, severely impacted the operation of Pennsylvania businesses, like Crazy Mocha, due to restrictions placed on food and beverage businesses regarding in-person/indoor dining, take-out, capacity limitations and/or other similar

restrictions. Not to mention, these same mitigation and health and safety orders essentially required employees of non-essential businesses to work remotely and not from their offices and office buildings, which had a dramatic impact on the number of customers that would otherwise frequent the Crazy Mocha coffee shops. These closures and restrictions led to the filing of this Bankruptcy Case.

8. The Debtor determined that the best course of action in this Bankruptcy Case was to sale the Crazy Mocha Assets. On April 29, 2021, the Debtor filed the Motion for Order Authorizing and Approving: (I) the Sale of Certain Crazy Mocha Assets Free and Clear of all Liens, Claims, Encumbrances, Interests, and Liabilities Pursuant to 11 U.S.C. § 363 and F.R.B.P. Nos. 2002 and 6004 and W.Pa.LBR 6004-1 and 9013-3 and (II) Certain Bid Procedures [Doc. No. 440].
9. After notice and hearing held on May 26, 2021, the Court entered a sale order [Doc. No. 530] (the “**Sale Order**”). Pursuant to the Sale Order, Pamela VonBergen, (“**VonBergen**”), now by assignment Crazy Mocha, LLC (“**Crazy Mocha**” and together with VonBergen, the “**Buyer**”), was found to have made the highest and best offer for the Crazy Mocha Business assets and the sale of assets was approved to Buyer.
10. On May 28, 2021, the Debtor and Buyer closed on the sale of the Crazy Mocha Business assets.
11. The Debtor continues to operate the Kiva Han Business as a debtor-in-possession.
12. On June 25, 2021, Southpointe Towne Center, LP (“**STC**”) filed Southpointe Town Center LP’s Motion for an Order Allowing and Administrative Expense Claim Pursuant to 11 U.S.C. 365(d)(3) and 503(b)(1)(A) (the “**Motion**”) seeking an administrative priority claim in the amount of \$26,647.66 and requesting immediate payment of said administrative expense claim.
13. On July 2, 2021, the Debtor filed the Subchapter V- Small Business Debtor’s Amended Chapter 11 Plan of Reorganization Dated as of July 2, 2021 [Doc. No. 572] (the “**Amended Plan**”).

14. A confirmation hearing is scheduled for August 12, 2021.

**RELIEF REQUESTED**

15. While the Debtor submits that STC is entitled to an administrative expense claim for rent, the Debtor disagrees with the amount of the administrative expense claim asserted in the Motion based on the Debtor's books and records.

16. Further, the Debtor objects to the immediate payment of any allowed administrative expense claim. The Debtor submits that any allowed administrative expense claim should be paid in accordance with a confirmed plan. The Amended Plan contemplates payment in full of such allowed administrative expense claims on the Effective Date of the Plan.

17. The Debtor's counsel has reached out to STC's counsel, and they are working to resolve these issues and anticipate reaching resolution of these issues prior to the date of the hearing.

18. Further, the Debtor reserves the right to appear and be heard at any hearing on the Motion.

WHEREFORE, the Debtor requests that the relief requested in the Administrative Expense Claim Motion be denied.

LEECH TISHMAN FUSCALDO & LAMPL, LLC

Date: July 12, 2021

By: /s/ Crystal H. Thornton-Illar

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